

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 561, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 4, between lines 10 and 11, begin a new paragraph and insert:
- 2 "SECTION 2. IC 12-7-2-24.5 IS ADDED TO THE INDIANA
- 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 4 [EFFECTIVE JANUARY 1, 2002]: **Sec. 24.5. "Caretaker relative"**
- 5 **for purposes of IC 12-17.7, has the meaning set forth in**
- 6 **IC 12-17.7-1-2."**
- 7 Page 4, line 16, delete "IC 12-17.7-1-2." and insert
- 8 **"IC 12-17.7-1-3."**
- 9 Page 5, between lines 16 and 17, begin a new paragraph and insert:
- 10 "SECTION 4. IC 12-7-2-76, AS AMENDED BY P.L.128-1999,
- 11 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 12 JUNE 30, 2002]: Sec. 76. (a) "Eligible individual", for purposes of
- 13 IC 12-10-10, has the meaning set forth in IC 12-10-10-4.
- 14 (b) "Eligible individual" has the meaning set forth in
- 15 IC 12-14-18-1.5 for purposes of the following:
- 16 (1) IC 12-10-6.
- 17 (2) IC 12-14-2.
- 18 (3) IC 12-14-18.
- 19 (4) IC 12-14-19.
- 20 (5) IC 12-15-2.

1 (6) IC 12-15-3.

2 ~~(7) IC 12-16-3.~~

3 ~~(8) (7) IC 12-17-1.~~

4 ~~(9) (8) IC 12-20-5.5."~~

5 Page 5, between lines 36 and 37, begin a new paragraph and insert:

6 "SECTION 6. IC 12-7-2-104.5, AS ADDED BY P.L.128-1999,
7 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JUNE 30, 2002]: Sec. 104.5. "Holocaust victim's settlement payment"
9 has the meaning set forth in IC 12-14-18-1.7 for purposes of the
10 following:

11 (1) IC 12-10-6.

12 (2) IC 12-14-2

13 (3) IC 12-14-18.

14 (4) IC 12-14-19.

15 (5) IC 12-15-2.

16 (6) IC 12-15-3.

17 ~~(7) IC 12-16-3.~~

18 ~~(8) (7) IC 12-17-1.~~

19 ~~(9) (8) IC 12-20-5.5."~~

20 Page 6, between lines 3 and 4, begin a new paragraph and insert:

21 "SECTION 8. IC 12-7-2-118.1 IS ADDED TO THE INDIANA
22 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
23 [EFFECTIVE JUNE 30, 2002]: **Sec. 118.1. "Inpatient days", for**
24 **purposes of IC 12-16.1-8, has the meaning set forth in**
25 **IC 12-16.1-8-1."**

26 Page 6, line 15, delete "IC 12-17.7-1-3." and insert "**IC**
27 **12-17.7-1-4."**

28 Page 6, line 27, delete "IC 12-17.7-1-4." and insert "**IC**
29 **12-17.7-1-5."**

30 Page 7, line 23, delete "JANUARY 1, 2001" and insert "JULY 1,
31 2000".

32 Page 7, line 27, delete "the period beginning January 1, 2001, and
33 ending June".

34 Page 7, line 28, delete "30, 2001, and for".

35 Page 7, line 28, after "1997," delete "2001" and insert "**2000**".

36 Page 8, line 1, delete "For the period beginning January 1, 2001,
37 and".

38 Page 8, delete line 2.

39 Page 8, line 3, delete "June 30, 2001, the" and insert "**The**".

40 Page 8, run in lines 1 and 3.

41 Page 8, line 8, delete ", for the period beginning".

42 Page 8, delete line 9.

- 1 Page 8, line 10, delete "fiscal year ending after June 30, 2001,".
- 2 Page 8, run in lines 8 and 10.
- 3 Page 8, line 14, delete "For the period beginning January 1, 2001,
- 4 and".
- 5 Page 8, delete line 15.
- 6 Page 8, line 16, delete "June 30, 2001, the" and insert "**The**".
- 7 Page 8, run in lines 14 and 16.
- 8 Page 8, line 23, delete "For the period beginning January 1, 2001,
- 9 and".
- 10 Page 8, delete line 24.
- 11 Page 8, line 25, delete "June 30, 2001, from" and insert "**From**".
- 12 Page 8, run in lines 23 and 25.
- 13 Page 8, line 30, delete "hospital," and insert "**hospital during the**
- 14 **state fiscal year,**".
- 15 Page 8, line 33, delete "subdivision (1)" and insert "**clause (A)**".
- 16 Page 8, line 38, after "assistance." insert "**Payment to a hospital**
- 17 **under this STEP is not a condition precedent to the tender of**
- 18 **payments to hospitals under STEP SEVEN.**".
- 19 Page 9, line 5, reset in roman "each".
- 20 Page 9, line 5, delete "the period".
- 21 Page 9, delete line 6.
- 22 Page 9, line 7, delete "close of a".
- 23 Page 9, line 7, delete "ending after June 30, 2001. Payment for" and
- 24 insert ".".
- 25 Page 9, delete line 8.
- 26 Page 9, line 9, delete "shall be made before December 31, 2001.".
- 27 Page 9, line 10, delete "2001" and insert "**2002**".
- 28 Page 9, line 11, after "the" insert "**state**".
- 29 Page 9, line 19, delete "the period beginning January 1, 2001, and
- 30 ending June".
- 31 Page 9, line 20, delete "30, 2001, and after the close of".
- 32 Page 9, line 20, delete "ending after" and insert ".".
- 33 Page 9, line 21, delete "June 30, 2001.".
- 34 Page 9, line 24, delete "FIVE" and insert "**SEVEN**".
- 35 Page 9, between lines 41 and 42, begin a new paragraph and insert:
- 36 "**(g) For the state fiscal year beginning July 1, 2000, and ending**
- 37 **June 30, 2001, the amount calculated under STEP THREE of**
- 38 **subsection (b) shall be adjusted to account for the portion of the**
- 39 **state fiscal year elapsing prior to the effective date of the federal**
- 40 **regulation establishing the Medicaid upper payment limit for**
- 41 **nonstate government owned or operated hospitals at one hundred**
- 42 **fifty percent (150%) of Medicare reimbursement rates.**

(h) For purposes of calculating the amount under STEP THREE of subsection (b), the amount attributable to the elapsed period of the state fiscal year described in subsection (g) shall be the maximum payment amount available without exceeding the Medicaid upper payment limit applicable for nonstate owned or operated hospitals for that period."

Page 12, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 17. IC 12-15-16-3, AS AMENDED BY P.L.113-2000, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2002]: Sec. 3. (a) For purposes of disproportionate share eligibility, a provider's low income utilization rate is the sum of the following, based on the most recent year for which an audited cost report is on file with the office:

(1) A fraction (expressed as a percentage) for which:

(A) the numerator is the sum of:

(i) the total Medicaid patient revenues paid to the provider;

plus

(ii) the amount of the cash subsidies received directly from state and local governments, including payments made under the hospital care for the indigent program (IC 12-16-2) (**before its repeal**); and

(B) the denominator is the total amount of the provider's patient revenues paid to the provider, including cash subsidies; and

(2) A fraction (expressed as a percentage) for which:

(A) the numerator is the total amount of the provider's charges for inpatient services that are attributable to care provided to individuals who have no source of payment; and

(B) the denominator is the total amount of charges for inpatient services.

(b) The numerator in subsection (a)(1)(A) does not include contractual allowances and discounts other than for indigent patients not eligible for Medicaid."

Page 14, line 29, delete "JANUARY 1, 2001" and insert "JULY 1, 2000".

Page 15, line 3, delete "the period before January 1, 2001," and insert "**state fiscal years ending on or before June 30, 2000,**".

Page 15, delete lines 7 through 31.

Page 15, line 32, delete "(C)" and insert "**(B)**".

Page 15, line 34, delete "2001" and insert "**2000**".

Page 16, line 6, delete "(D)" and insert "**(C)**".

Page 16, line 10, delete "clauses" and insert "**clause**".

1 Page 16, line 10, delete "and (C)".

2 Page 16, line 12, delete "disproportionate" and insert "**Medicaid**
3 **add-on payments to hospitals licensed under IC 16-21 pursuant to**
4 **a payment methodology developed by the office.**".

5 Page 16, delete line 13.

6 Page 16, between lines 13 and 14, begin a new paragraph and insert:

7 "SECTION 12. IC 12-16-14-3 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. **Except as provided**
9 **in sections 3.4 and 3.7 of this chapter**, each county shall impose a
10 hospital care for the indigent property tax levy equal to the product of:

11 ~~(1) the hospital care for the indigent property tax levy imposed for~~
12 ~~taxes first due and payable in the preceding year; multiplied by~~
13 ~~(2) the statewide average assessed value growth quotient; using~~
14 ~~all the county assessed value growth quotients determined under~~
15 ~~IC 6-1.1-18.5-2 for the year in which the tax levy under this~~
16 ~~section will be first due and payable;~~

17 **(1) for the initial levy imposed under this chapter after July 1,**
18 **2002:**

19 **(A) a levy equal to ninety percent (90%) of the hospital**
20 **care for the indigent property tax levy imposed in calendar**
21 **year 2001 for taxes first due and payable in calendar year**
22 **2002; multiplied by**

23 **(B) the statewide average assessed value growth quotient,**
24 **using all the county assessed value growth quotients**
25 **determined under IC 6-1.1-18.5-2 for the year in which the**
26 **tax levy under this subdivision will be first due and**
27 **payable;**

28 **(2) for the second annual levy imposed under this chapter:**

29 **(A) a levy equal to ninety percent (90%) of the hospital**
30 **care for the indigent property tax levy imposed in calendar**
31 **year 2002 for taxes first due and payable in calendar year**
32 **2003; multiplied by**

33 **(B) the statewide average assessed value growth quotient,**
34 **using all the county assessed value growth quotients**
35 **determined under IC 6-1.1-18.5-2 for the year in which the**
36 **tax levy under this subdivision will be first due and**
37 **payable; and**

38 **(3) for all subsequent annual levies imposed under this**
39 **chapter:**

40 **(A) a levy equal to the hospital care for the indigent**
41 **program property tax levy imposed for taxes first due and**
42 **payable in the preceding year; multiplied by**

(B) the statewide average assessed value growth quotient, using all the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for the year in which the tax levy under this subdivision will be first due and payable.

SECTION 13. IC 12-16-14-3.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 3.4. A county having a population of at least four hundred thousand (400,000) but less than seven hundred thousand (700,000) shall impose a hospital care for the indigent property tax levy equal to the product of:**

(1) for the initial levy imposed under this chapter following July 1, 2002, a levy equal to:

(A) the difference between:

(i) the hospital care for the indigent property tax levy imposed in calendar year 2001 for taxes first due and payable in calendar year 2002; minus

(ii) four million dollars (\$4,000,000); multiplied by

(B) the statewide average assessed value growth quotient, using all the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for the year in which the tax levy under this subdivision will be first due and payable;

(2) for the second annual levy imposed under this chapter, a levy equal to:

(A) the difference between:

(i) the hospital care for the indigent property tax levy imposed in calendar year 2002 for taxes first due and payable in calendar year 2003; minus

(ii) four million dollars (\$4,000,000); multiplied by

(B) the statewide average assessed value growth quotient, using all the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for the year in which the tax levy under this subdivision will be first due and payable; and

(3) for all subsequent impositions of the levy, the amount that results from the calculation under section 3(3) of this chapter.

SECTION 14. IC 12-16-14-3.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 3.7. A county having a population of at least two hundred thousand (200,000) but less than three hundred thousand (300,000) shall impose a hospital care for the**

indigent property tax levy equal to the product of:

(1) for the initial levy imposed under this chapter following July 1, 2002, a levy equal to:

(A) the difference between:

(i) the hospital care for the indigent property tax levy imposed in calendar year 2001 for taxes first due and payable in calendar year 2002; minus

(ii) one million dollars (\$1,000,000); multiplied by

(B) the statewide average assessed value growth quotient, using all the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for the year in which the tax levy under this subdivision will be first due and payable;

(2) for the second annual levy imposed under this chapter, a levy equal to:

(A) the difference between:

(i) the hospital care for the indigent property tax levy imposed in calendar year 2002 for taxes first due and payable in calendar year 2003; minus

(ii) one million dollars (\$1,000,000); multiplied by

(B) the statewide average assessed value growth quotient, using all the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for the year in which the tax levy under this subdivision will be first due and payable; and

(3) for all subsequent impositions of the levy, the amount that results from the calculation under section 3(3) of this chapter."

Page 22, line 12, delete "not more than" and insert "within".

Page 24, line 31, delete "cost-sharing" and insert "cost sharing".

Page 29, between lines 17 and 18, begin a new paragraph and insert:

"Sec. 2. (a) "Caretaker relative" means a blood relative and those of half blood.

(b) The term includes an adoptive parent, grandparent, sibling, and a relative of an adoptive parent.

(c) The term also includes a spouse of an individual described in subsection (b), even after the marriage is terminated by death or dissolution."

Page 29, line 18, delete "2." and insert "3."

Page 29, line 29, delete "3." and insert "4."

Page 29, line 31, delete "4." and insert "5."

Page 31, line 3, delete "parent" and insert "caretaker relative".

1 Page 32, between lines 12 and 13, begin a new paragraph and insert:

2 **"Sec. 4. (a) The office shall offer health insurance coverage for**
 3 **the following additional services if the coverage for the services has**
 4 **an actuarial value equal to or greater than the actuarial value of**
 5 **the services provided by the benchmark program determined by**
 6 **the children's health policy board established by IC 4-23-27-2:**

7 **(1) Prescription drugs.**

8 **(2) Mental health services.**

9 **(3) Vision services.**

10 **(4) Hearing services.**

11 **(5) Dental services.**

12 **(b) The office may not impose treatment limitations or financial**
 13 **requirements on the coverage of services for a mental illness if**
 14 **similar treatment limitations or financial requirements are not**
 15 **imposed on coverage for services for other illnesses."**

16 Page 32, line 13, delete "4." and insert "5."

17 Page 32, line 15, delete "5." and insert "6."

18 Page 32, line 42, delete "has" and insert "shall have".

19 Page 34, line 42, delete "JUNE" and insert "JULY".

20 Page 35, line 1, delete "30" and insert "1".

21 Page 35, line 2, after "17.8." insert "TAX".

22 Page 35, line 5, delete "June 30" and insert "July 1".

23 Page 36, between lines 41 and 42, begin a new paragraph and insert:

24 **"SECTION 25. IC 34-30-2-45.5 IS ADDED TO THE INDIANA**
 25 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 26 **[EFFECTIVE JUNE 30, 2002]: Sec. 45.5. IC 12-16.1-4-6 (Concerning**
 27 **persons who aid a patient in completing an application for**
 28 **assistance under the hospital care for the indigent program).**

29 **SECTION 26. IC 34-30-2-45.7 IS ADDED TO THE INDIANA**
 30 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 31 **[EFFECTIVE JUNE 30, 2002]: Sec. 45.7. IC 12-16.1-5-2 (Concerning**
 32 **hospitals for providing information verifying indigency of patient).**

33 **SECTION 27. IC 34-30-2-45.9 IS ADDED TO THE INDIANA**
 34 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 35 **[EFFECTIVE JUNE 30, 2002]: Sec. 45.9. IC 12-16.1-13-1**
 36 **(Concerning hospitals or persons providing services under the**
 37 **hospital care for the indigent program)."**

38 Page 37, line 26, delete "JUNE 30" and insert "JULY 1".

39 Page 37, line 26, after ":" insert "IC 12-7-2-118;"

40 Page 37, line 28, delete "IC 12-16-16." and insert "IC 12-16-16;
 41 IC 34-30-2-44; IC 34-30-2-45; IC 34-30-2-45.3."

42 Page 37, line 29, delete "JUNE 30" and insert "JULY 1".

- 1 Page 37, delete lines 37 through 42.
 - 2 Page 38, delete lines 1 through 4.
 - 3 Page 38, line 24, delete "on the earlier of the following dates:".
 - 4 Page 38, line 25, delete "(1) Thirty" and insert "**thirty**".
 - 5 Page 38, run in lines 24 through 25.
 - 6 Page 38, delete lines 27 through 33, begin a new paragraph and
 - 7 insert:
 - 8 "**(e) Notwithstanding subsection (d), the office shall not in any**
 - 9 **event implement the state plan amendment and waiver:**
 - 10 **(1) before:**
 - 11 **(A) January 1, 2002; and**
 - 12 **(B) requisite funds for the program's implementation are**
 - 13 **available or projected to be available, as determined by the**
 - 14 **office; or**
 - 15 **(2) after June 30, 2003."**
 - 16 Page 38, line 39, delete "office does not file an affidavit under
 - 17 subsection (c):" and insert "**state plan amendment and waiver are**
 - 18 **not implemented by June 30, 2003:"**.
 - 19 Page 39, line 1, delete "returned to the county's" and insert
 - 20 "**transferred to the state**".
 - 21 Page 39, line 2, delete "fund;" and insert "**fund under IC 12-16.1;**".
 - 22 Page 39, line 4, delete "returned" and insert "**transferred**".
 - 23 Page 39, line 5, delete "fund." and insert "**fund under IC 12-16.1."**
 - 24 Page 39, line 6, delete "31" and insert "**2**".
 - 25 Renumber all SECTIONS consecutively.
- (Reference is to SB 561 as printed February 16, 2001.)

and when so amended that said bill do pass .

Committee Vote: Yeas 6, Nays 0.

Senator Miller, Chairperson